

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 14-0958	Date: March 13, 2014
Prime Sponsor(s): Rep. Williams Sen. Ulibarri	Bill Status: House Business, Labor, Economic, and Workforce Development
	Fiscal Analyst: Josh Abram (303-866-3561)

SHORT TITLE: CONTINUE FORECLOSURE DEFERMENT PROGRAM

Fiscal Impact Summary	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures		
FTE Position Change		
Appropriation Required: None.		

Summary of Legislation

Under current law, the foreclosure deferment program in the Department of Local Affairs (DOLA) is scheduled to expire on June 30, 2014. When a borrower is deemed eligible, foreclosure deferment requires the public trustee of a county to delay the scheduled sale of a foreclosed property for up to 90 days. This bill extends the program until September 1, 2015.

Background

In Colorado, the public trustee in each county manages the release of deeds of trust and foreclosure of deeds of trust on properties within the county. A borrower may receive a 90-day foreclosure deferment if the borrower meets all of the requirements established in statute. When the deferment period ends, the public trustee is authorized to collect a \$75 fee prior to publication of the foreclosure notice.

State Expenditures

The bill will not have a material impact on state expenditures. Current law requires the Colorado Division of Housing in DOLA to provide a document that informs homeowners of the possibility to obtain a 90-day foreclosure deferment. The division also maintains the Colorado Foreclosure Hotline to connect borrowers with non-profit housing counselors who can provide information on a borrower's options when facing foreclosure.

No additional state expenditures are required to maintain these documents or to provide information on the department's website.

Local Government Impact

By extending the repeal date, this bill also extends the authority of a public trustee to collect a \$75 fee from a homeowner after a deferment period has ended. A small revenue impact to counties may occur through collection of the fee until September 1, 2015.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State and Local Government Contacts

Counties
Public Trustees

Judicial
Regulatory Agencies

Local Affairs